

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, AUGUST 16, 2006

4:00 P.M.

IN THE CONFERENCE ROOM, 2220 SOUTH COUNTY TRAIL

EAST GREENWICH, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Board of Directors was called to order by Chairman, James V. Rosati, at 4:00 p.m., in the Conference Room, at 2220 South County Trail, East Greenwich, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: James Rosati; James Forte; Joseph Cianciolo; Kathleen Hittner, M.D; Michael Traficante.

BOARD MEMBERS ABSENT: Joseph Larisa; Robert Sangster.

ALSO PRESENT: Mark P. Brewer, A.A.E., President and CEO; Brian Schattle, Senior Vice President of Finance and Administration/CFO; Marci A. Greenberger, A.A.E., Senior Vice President of Operations and Maintenance; Peter Frazier, Chief Legal Counsel; Lori Caron Silveira, Outside Legal Counsel; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Traficante and seconded by Dr. Hittner to approve the minutes of the Board Meeting of July 19, 2006. The motion was passed unanimously.

2. Open Forum:

Mr. Rosati asked if anyone present wanted to speak in Open Forum. No one came forward.

3. Report from President and CEO:

Mr. Brewer reported that passenger numbers for July were down 16.26%. Mr. Brewer noted that this is a regional trend and that the Corporation is continuing its marketing efforts to attract more airlines.

Mr. Brewer gave an update on the fuel farm project.

Mr. Brewer gave an update on enhanced security initiatives.

Mr. Brewer reported that the Corporation had accepted four grants for projects at T. F. Green and the General Aviation Airports. Mr. Brewer noted that a total of ten (10) grants had been received from the FAA this year.

Mr. Brewer gave an update on the Block Island Runway project indicating that there is an ongoing review of the feasibility of a turf runway. Discussion focused on the construction of the temporary runway and its intended use.

Mr. Brewer reported that three proposals had been received in response to the solicitation for Construction Management (CM) Services for the Intermodal project. Mr. Brewer noted that a Committee will evaluate the proposals based on qualifications. It was noted that this is the same process that was used for the EDS project.

4. Operations and Capital Committee Report:

Mr. Forte reported that the Operations and Capital Committee had met prior to the Board Meeting and there were items on the consent agenda for approval by the Board. It was noted that the resolution for item (a) Consideration of and Action Upon Approval to Amend the Current Contracting Authority for the Capital Improvement Program was modified at the meeting.

A motion was made by Mr. Forte and seconded by Mr. Traficante to approve the items on the consent agenda. The motion was passed unanimously.

Consent Agenda:

(a) Consideration of and Action Upon Approval to Amend the Current Contracting Authority for the Capital Improvement Program.

WHEREAS, on January 17, 2001 the Board adopted a revised policy to the contracting authority for capital projects for approval of change orders and contract amendments associated with the Capital Improvement Program (CIP); and

WHEREAS, RIAC management recommends a further update to this policy in an effort to promote expeditious review of change orders and contract amendments while ensuring responsible project control oversight; and

WHEREAS, all change orders must be within the approved budgeted amount for the project; and

WHEREAS, any amendment which will exceed the previously approved budget will be presented to the Board of Directors for approval.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to amend the current contracting authority as defined below for the CIP.

- 1. Any change order less than \$50,000 will require the approval of the President and CEO, or his designee;**
- 2. Any change order between \$50,000 and \$100,000 will require the approval of the President and CEO, or his designee, the Chair of the Operations and Capital Committee or his designee, or the Chair of the RIAC Board of Directors, and shall be reported at the next regularly scheduled meeting of the Operations and Capital Committee;**
- 3. Any change order that exceeds \$100,000 shall require the prior approval of the RIAC Board of Directors.**

(b) Consideration of and Action Upon Extension of the Contract for Glycol Management Services for T. F. Green Airport, North Central Airport and Quonset Airport.

WHEREAS, the Rhode Island Airport Corporation (RIAC) is responsible for the Operating and Maintenance (O&M) of airport facilities at the six Rhode Island airports; and

WHEREAS, RIAC has contracted with Inland Technologies International, Inc. (Inland) to provide Glycol Management Services at T. F. Green Airport, North Central Airport and Quonset Airport; and

WHEREAS, RIAC's contract with Inland began with an initial term of one year on October 1, 2004, with two one-year extensions at the

option of RIAC; and

WHEREAS, RIAC is currently conducting negotiations with Inland to perform Glycol Management Services for Fiscal Year 2007 and does not expect these services to exceed the Fiscal Year 2007 O&M budget of \$580,000.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to extend the contract with Inland Technologies International, Inc. for Fiscal Year 2007 in an amount not-to-exceed \$580,000 to provide Glycol Management Services for T. F. Green Airport, North Central Airport and Quonset Airport.

(c) Consideration of and Action Upon Approval of Contractor Task Order for the Replanting of Indigenous Foliage at Westerly Airport.

WHEREAS, the Rhode Island Airport Corporation (RIAC) has contracted with the firm of North Eastern Tree Service, Inc. (North Eastern) to perform on-call Vegetative Management Services; and

WHEREAS, RIAC management recommends replanting appropriate On-Airport vegetation having growth rates and height limits consistent with FAA guidelines at Westerly Airport; and

WHEREAS, RIAC received a scope and fee from North Eastern for On-Airport vegetation replanting and maintenance in the amount of \$65,000 and is currently conducting negotiations; and

WHEREAS, the approved Fiscal Year 2007 Operating and Maintenance (O&M) budget includes \$65,000 for these services.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to negotiate and execute a Task Order with North Eastern Tree Service, Inc. to provide On-Airport vegetation replanting and maintenance at Westerly Airport in an amount not-to-exceed \$65,000.

(d) Consideration of and Action Upon Approval of a Consultant Task Order for the Taxiway "A" Rehabilitation Project at North Central Airport.

WHEREAS, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with HNTB Corporation (HNTB) to provide on-call architectural and engineering services; and

WHEREAS, RIAC has received a scope and fee from HNTB to provide design and bid phase services associated with Taxiway A Rehabilitation Project at North Central Airport in the amount of \$160,757 and is currently conducting negotiations; and

WHEREAS, the project is included in the approved RIAC Fiscal Year 2007 Capital Improvement Program (CIP) budget in the amount of \$633,450; and

WHEREAS, based on engineering reviews of the scope and the fee proposal received from HNTB of \$160,757 for design and bid phase services, it is likely that additional funds beyond the original budget will be required to complete this project; and

WHEREAS, once the design phase is completed and actual construction costs can be more reasonably estimated, RIAC will apply for an FAA grant for the total revised cost and request a budget adjustment; and

WHEREAS, this task order will initially be funded through the General Purpose Fund with 95% (\$152,719) reimbursement from the FAA upon receipt of a Federal AIP grant offer.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to negotiate and execute a task order with HNTB to provide design and bid phase services for the Taxiway A Rehabilitation Project at North Central Airport in an amount not-to-exceed \$160,757.

(e) Consideration of and Action Upon Approval of a Consultant Task Order for the Taxiway F Hold Apron Rehabilitation Project at T. F. Green Airport.

WHEREAS, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with Parsons Brinckerhoff Quade & Douglas (PB) to provide on-call architectural and engineering services; and

WHEREAS, RIAC has received a scope and fee from PB to provide design and bid phase services associated with Taxiway F Hold Apron Rehabilitation Project at T. F. Green Airport in the amount of \$211,102 and is currently conducting negotiations; and

WHEREAS, the project is included in the approved RIAC Fiscal Year 2007 Capital Improvement Program (CIP) budget in the amount of \$817,158; and

WHEREAS, based on engineering reviews of the scope and the fee proposal received from PB of \$211,102 for design and bid phase services, it is likely that additional funds beyond the original budget will be required to complete this project; and

WHEREAS, once the design phase is completed and actual construction costs can be more reasonably estimated, RIAC will

apply for an FAA grant for the total revised cost and request a budget adjustment; and

WHEREAS, this task order will initially be funded through the 2005 Airport Revenue Bond funds with 75% (\$158,327) reimbursement from the FAA upon receipt of a Federal AIP grant offer.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to negotiate and execute a task order with PB to provide design and bid phase services for the Taxiway F Hold Apron Rehabilitation Project at T. F. Green Airport in an amount not-to-exceed \$211,102.

(f) Consideration of and Action Upon Grant of Easement to Electric Boat.

WHEREAS, the Rhode Island Airport Corporation (RIAC) is a party to a lease agreement effective January 1, 2005, with Electric Boat relative to property at Quonset Point; and

WHEREAS, under the terms of a prior lease agreement with Electric Boat, RIAC has previously granted Electric Boat both a temporary and permanent easement (“Easements”) for its use and operation of a cantilever crane at its facilities at Quonset Point; and

WHEREAS, the current lease provides for the continuation and/or modification of the Easements to allow for Electric Boat's continued operation of a cantilever crane; and

WHEREAS, RIAC has been advised that the Easements need to be modified to reflect new ownership interests in abutting land and to update the boundaries of the Easements; and

WHEREAS, the Quonset Development Corporation has requested RIAC to enter into modified temporary and permanent cantilever crane easements.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute modified temporary and permanent cantilever crane easements granting the equivalent or lesser rights as previously granted, subject to legal approval.

5. Finance and Audit Committee Report:

There was no meeting in August. Mr. Cianciolo gave a brief update on the outside audit of the Financial Statements, indicating that the Financial Statements are due to the Auditor General in final form by September 30, 2006.

6. Compensation Committee Report:

There was no meeting in August. Mr. Brewer reported that the interview process for the Senior Vice President of Planning, Engineering and Environmental is ongoing, and that resumes received for the position of HR Director are currently being reviewed. Mr. Brewer noted that there will be discussion of collective bargaining negotiations in Executive Session.

7. Executive Session:

(a) Discussion Related to Collective Bargaining – R.I.G.L. § 42-46-5(a)(2).

(b) Discussion Related to Potential (Debt Collection) and Pending Litigation (RIPDES and Parking - R.I.G.L. § 42-46-5(a)(2).

At approximately 4:42 p.m., a motion was made by Mr. Forte and seconded by Mr. Traficante to go into Executive Session. By the following vote, the motion was passed unanimously.

YEAS: James Rosati

James Forte

Joseph Cianciolo

Kathleen Hittner, M.D.

Michael Traficante

NAYS: None

ABSTAIN: None

Mr. Traficante and Mr. Forte left the meeting at 5:45 pm. The meeting was concluded at this time because of lack of a quorum.

8. Future Meetings:

The next meeting will be held on Wednesday, September 20, 2006, at 4:00 p.m., in the Conference Room at 2220 South County Trail, East Greenwich, Rhode Island.

Respectfully submitted,

James V. Rosati, Chairman

Rhode Island Airport Corporation

ATTENDANCE SHEET

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS MEETING

AUGUST 16, 2006

NAME	AFFILIATION
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Patti Goldstein	RIAC
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Brenda Pope	RIAC
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Ahmed Shihadeh	RIAC
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Don Pillsbury	RIPA
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Steve Tibbetts	Landmark Aviation
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Robert Goff	New England Parking
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Steve Whitney	Senate Fiscal Office
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MINUTES OF THE EXECUTIVE SESSION

OF THE RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS MEETING ON AUGUST 16, 2006

1. At approximately 4:42 p.m., a motion was made by Mr. Forte and seconded by Mr. Traficante to go into Executive Session. The motion

was passed unanimously.

2. Board Members, Legal Counsel and Corporation Personnel discussed the negotiations for the collective bargaining agreement.

3. Mr. Frazier gave an update regarding a debt collection matter, the RIPDES litigation and the parking litigation.

Mr. Traficante and Mr. Forte left the meeting at 5:45 p.m. The meeting was concluded at this time because of lack of a quorum.

Respectfully submitted,

**James V. Rosati, Chairman
Rhode Island Airport Corporation**